



Block Cleaning contract, frequently asked questions

27 August 2021

Below is a set of frequently asked questions and answers to provide you with further information on the proposed Block Cleaning contract. Any updates to this document will be recorded.

What are the benefits of the new Block Cleaning Contract with Pinnacle Housing Limited?

The contract has been designed to ensure;

- a high quality and pro-active block cleaning service that ensures an efficient, inclusive service for all those in receipt of the service.
- high standards of work in all matters to do with the internal block cleaning;
- safe estates and buildings that are free of fire safety hazards;
- excellent levels of resident satisfaction and customer care;
- consistent number of jobs that are right first time;
- minimal disruption and inconvenience for residents; and
- full compliance with all statutory requirements so that the council's risks are always mitigated.

Why have I received this Section 20 notice?

The London Borough of Lambeth has tendered to replace the current expiring contract which provides Block Cleaning Services to certain tenants, leaseholders, and homeowners. You have received this S20 notice because you are a London Borough of Lambeth leaseholder or homeowner currently in receipt of Block Cleaning services and hence will continue to do so under the proposed new contract. Many of the services covered by this Section 20 notice are rechargeable to leaseholders and homeowners and if we do not consult with you, we are not able to recharge our full costs. Please do take the time to watch a short (5 minute) film which explains what a Section 20 notice is and what this means for you:

https://youtu.be/Q_Md5aWBU84

What do you mean by Block Cleaning Services?

Block Cleaning Services are those carried out within your block to ensure they are clean and hazard free. These services are split as Routine and Reactive.

'Routine Block Cleaning' is scheduled cleaning to your block to ensure it clean and hazard free, whereas 'Reactive Block Cleaning' is either specialised cleaning that is

not included in Routine Cleaning or where cleaning is necessary outside of a scheduled clean period.

What is the proposed scope of the long-term agreement?

Routine Cleaning:

The overall scope of the contract is to ensure that the communal and common parts inside blocks are clean and hazard free. This will include regular routine and deep cleaning of items including but not limited to;

Entrance halls, corridors and landings, Lifts, Stairways, Walkways, Balconies and Terraces (communal only), Canopy roofs, Low level flat roofs, Concrete perimeter strips, Interior wall tiles, Hopper heads and refuse chambers within the building, Lamps, Signs; Gullies (excluding all those on highways and adjacent to refuse / bin chambers), Drains, downpipes and gutters, Hard sweep surfaces, Fire escapes, Internal playgrounds and play areas, Fixtures and fittings, Plant rooms, Riser cupboards; Garage areas* and courts (but not the interior of individual garages), Window Cleaning (inside and out to designated areas only).

*Please note that charges to leaseholders/homeowners regarding cleaning of garage areas will only be applied if the garage is communal and solely for the use of residents at no additional rental charge.

Reactive Cleaning.

This is a reactive service which applies to all internal surfaces and areas (as detailed above) excluding inside of residents' homes. It is a vital service to ensure that if cleaning is needed when a regular routine is not due there is a mechanism for this to be carried out.

The scope of reactive cleaning includes all that listed in Routine Cleaning should cleaning be required outside of the Scheduled Routine Clean for example accidental spillages, vandalism, or crime.

In addition to the above the reactive cleaning will also include:

Graffiti removal (internal only), Removal of Bulk waste from inside the block to collection point (where it will be collected by Waste Management), Cleaning required after emergency, Remedial of any relevant issue that creates a fire risk.

Will the agreement differ from the existing one?

The services under the proposed new contract will be the same as those provided under the other contract. The proposed contract is however set up in a way to ensure those services are provided at the utmost quality for residents by using new performance indicator and monitoring methods.

How long will the agreement last?

The length of the agreement is initially 6 years with an option to extend by a further 8 years (split into 2 sets of 4 years)

How will you ensure the contracts are robustly managed?

The council recognises the need for strong contract management and is expanding a dedicated contract management team and applying a governance structure across the contract. The Council is confident that this team and governance structure, together with embedding a performance management framework and financially linked KPIs, will allow it to be robustly managed.

The Contractor will be required to present their performance figures to the Council for scrutiny at monthly operational level meetings, quarterly strategic meeting, and a yearly review.

Some of the services mentioned (such as rubbish removal) appear to be services that I already receive, funded by Council Tax. Why am I going to be charged again?

These services are those provided by Lambeth as your landlord, over and above those services provided to you as a Council Taxpayer. As the services are provided by Lambeth as your landlord, they are not funded by Council Tax and costs are instead met by the Housing Revenue Account which is recharged proportionally. Services that are currently provided by Lambeth and funded through Council Tax will remain in place and we will not be charging you again. The current contracts only provide services to Lambeth tenants and homeowners.

How will I be charged for these contracts?

As with the current Block Cleaning contract, you will be charged within your yearly day to day service charges. The new costs will replace the old cost once the new contract is implemented. You will only be recharged for costs that relate specifically to your block and these costs will be apportioned in line with your lease.

If the new contract is implemented mid-year the actuals for 2021/22 will reflect this and you will be charged for the period under the old contract before it ceased and the period under the new contract up to 31 March 2022. The charges will be increased annually, in accordance with a basket of indices agreed in the contract.

You advise that I will only be charged for services specific to my block, yet the pricing schedule shows costs by estate or groups of blocks. Considering this how will you identify costs specific to my block?

Due to the nature of the contract, if the council tendered each block separately this would result in significantly higher costs. This is because certain equipment and

management services would need to be purchased for each individual block. By tendering the contract in a way that blocks are group together, this allows economies of scales by sharing certain elements.

During the contract, records will be kept which will allow the contractor to advise of exactly what has been used on each block and the time spent on each block within an estate/group thus allowing the council to determine the cost per individual block. This individual block cost will then be proportioned to all leaseholders/homeowners in line with the lease.

How will the Council ensure costs are kept to a minimum?

In addition to the economies of scale Lambeth Council can achieve, the procurement process which used the competitive dialogue approach ensured value for money. The bids were evaluated based on 40% price and 60% quality to ensure value for money not only in terms of cost but also the quality of the services to be provided

Furthermore, contractors will be required to work to a series of key performance indicators (KPIs), to reflect service priorities and will be linked to financial incentives and penalties.

Why are we proposing to enter into a long-term agreement?

Having reviewed its current housing service delivery arrangements, the Council considers that a long-term agreement represents the best delivery mechanism for this service area. A long-term contract will provide an opportunity to continually improve services; deliver services in a consistent manner; increase cost certainty; and avoid repeated procurement exercises and the associated costs and delays these bring. Long-term contracts also create pricing economies by virtue of their scale and longevity and instil a heightened willingness for contractors to invest in the borough. The Council does however intend to build flexibility into the long-term contracts, to ensure that it can deliver services in an alternative way should it so wish in the future.

Why doesn't Lambeth provide these services in-house and employ officers to carry out these duties? For example, there will be a Direct Labour Force for repairs – why is this not happening for the block cleansing service?

An evaluation of the options for delivering the service determined that bringing the service in-house would be a higher risk option in terms of service delivery and cost.

How was the recommended provider selected?

Following the successful completion of the Notice of Intention consultation, the Council initiated the procurement process. A contract notice was placed on the Find a Tender Service e-notification system (FTS), on Wednesday 17 March 2021 for 'London Borough of Lambeth's Block Cleaning and Concierge' service.

The procurement process followed was the Restricted Procedure in accordance with Regulation 28 of the Public Contracts Regulations 2015 with a tender return date of 14 June 2021.

Bidders had to pass a selection questionnaire stage and successful bidders were invited to take part in dialogue with the authority and submit 'detailed solutions' which were then evaluated. Two bidders reached the final stage where final tenders were submitted. Robust evaluation of cost and quality elements were undertaken by evaluation panels and final scores were arrived at which led to the recommendation agreed by Council Cabinet members. Please see the Cabinet report at <https://modern.gov.lambeth.gov.uk/documents/s130911/CMDDR%20-%20Block%20Cleaning%20Concierge%20-%20Proc%20Legal%20Finance%20clearance%20004.pdf> for more details.

Will you be applying lessons learnt?

Whilst the current contracting arrangements have mostly delivered the required volume of work, there have been several lessons which the Council has learnt. The Council will apply this learning to the new long-term delivery arrangements in the following ways:

- More straightforward forms of contract
- Embed a contract scrutiny and governance oversight across all new delivery arrangements
- KPIs that focus on the most important aspects of service delivery
- The need to capture comprehensive data so we can apply resources appropriately.

Will the council be getting independent advice and support?

To design and procure the intended long-term agreements, the Council employed the services of a professional consultancy to help deliver a range of specialist procurement services. The services included are as follows:

- Service design
- Specification development
- Procurement advice
- Mobilisation support
- Technical and commercial support

What are the next steps?

The key next step for the Council is to consult with you as leaseholders about our intention to enter into an agreement with the proposed contractor and to respond to any queries that you may have about this procurement. Once the Observation period is closed and all observations have been responded to with due regard, Lambeth will seek to sign the contract with the new provider in order that they can operate the contract from 1 October 2021.

Have resident views been considered?

A Resident Procurement Panel was established to cover all the housing related procurements being carried out at the same time which provided support to the procurement process from a resident's perspective.

When will the new service commence?

The new service is proposed to commence on the 1 October 2021.

Who do I contact if I am unhappy about the block cleaning service received?

Caretaking Services: To contact your local housing caretaker or concierge operator during normal office hours contact us on 020 7926 6000.

Communal cleaning: If you feel there is a problem with the cleaning or you would like to register a complaint about the standard of cleaning, call us on 020 7926 6000.

How can I find out the cleaning schedule for my block/estate?

Cleaning schedules will be placed in notice boards on estates and in blocks once the proposed contract goes live.